HOUSING MARKET INFORMATION

RENTAL MARKET REPORT

Yellowknife Highlights[1]

CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: 2016

The overall vacancy rate*...

INCREASED to

4.2%

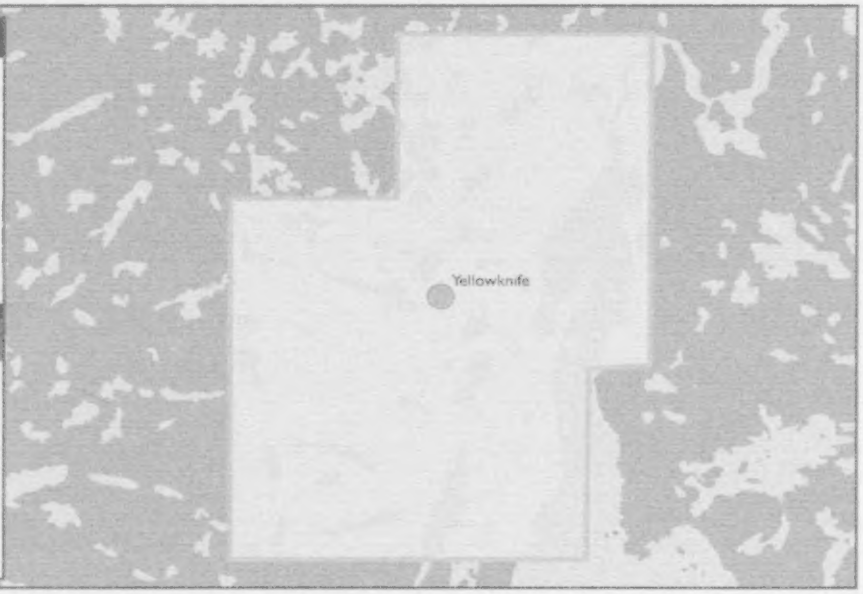
- Below CMA
- Similar to CMA
- Above CMA

The average rent is*...

$1,554

DOWN by 1.1%

- ○ Below CMA
- ○ Similar to CMA
- ○ Above CMA



PRIMARY RENTAL MARKET *(by bedroom type)*

Bachelor	One bedroom	Two bedroom	Three or more bedrooms
0.0% Vacancy Rate	3.4% Vacancy Rate	5.0% Vacancy Rate	5.4% Vacancy Rate
$1,159 Avg. Rent	$1,401 Avg. Rent	$1,636 Avg. Rent	$1,902 Avg. Rent

"Vacancy rates in Yellowknife rose as people some migrated away from the city or moved into homeownership."

Timothy Gensey
Market Analyst

*CMHC collects data on the primary and secondary rental market annually, in the fall. These data refer to the primary rental market, which only includes rental units in privately initiated apartment structures containing at least three rental units. The secondary rental market covers rental dwellings that were not originally purpose-built for the rental market, including rental condominiums. The primary vacancy rate and rent level is based on all surveyed structures, while the rent increase is based only on structures common to the survey sample in both the current and previous year.

[1] Urban centres with a population of 10,000 + are included in the survey. Detailed reports are available for CMAs.

Canada

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Rental demand decreased in Yellowknife

- The apartment vacancy rate in the purpose-built rental market in Yellowknife increased to 4.2 per cent in October 2016, from 1.9 per cent in October 2014.
- Same-sample rents declined 1.1 per cent between 2015 and 2016.
- In October 2016, the average rent for a two-bedroom apartment in Yellowknife was $1,636 per month.
- The universe for private apartment units in Yellowknife increased to 1,642 in October 2016 from 1,627 units in October 2015.

Vacancy rates increase in Yellowknife

According to the results of Canada Mortgage and Housing Corporation's (CMHC) October 2016 Rental Market Survey, the overall apartment vacancy rate[1] in the primary rental market in Yellowknife was 4.2 per cent in October 2016, compared to 1.9 per cent in October 2015. The highest observable vacancy rate was recorded for three or more bedroom suites at 5.4 per cent in October 2016, while there were no vacant bachelor suites. The largest proportion of unit types were two-bedroom units, which had a vacancy rate of 5.0 per cent.

For the first time this fall, the CMHC rental market survey has collected data on rental unit turnover[2]. Overall, 19.5 per cent of apartment units in Yellowknife turned over during the survey period. Buildings built between 1975 and 1989 had a higher turnover rate, 21.1 per cent, than their younger counterparts, 16.3 per cent. Unit turnover occurs for various reasons, including moving to homeownership or leaving the city.

Rental demand has been impacted by weaker economic conditions and negative interprovincial migration

Rental housing demand in Yellowknife has moderated due to a slower pace of economic activity, putting upward pressure on the vacancy rate. At the end of the third quarter, the year to date average of total employment in N.W.T, the best available proxy for Yellowknife, was similar to its level in 2015 at 22,500 employees with an additional 600 full-time and 200 part-time employees. The overall labour force in the N.W.T. has marginally increased in 2016, as third quarter estimates of the labour force rose by 200 people from the previous year. In terms of migration, on a net basis people have been leaving the territory: 206 people have left the NWT so far this year, and net migration was also negative in 2015.

The increase in the vacancy rate is also partly attributed to renters moving and purchasing a home. To the end of September, total sales activity in Yellowknife increased 50 per cent from the same period a year earlier.

In the October rental market survey, the purpose-built rental universe increased by 15 units to 1,642 in 2016

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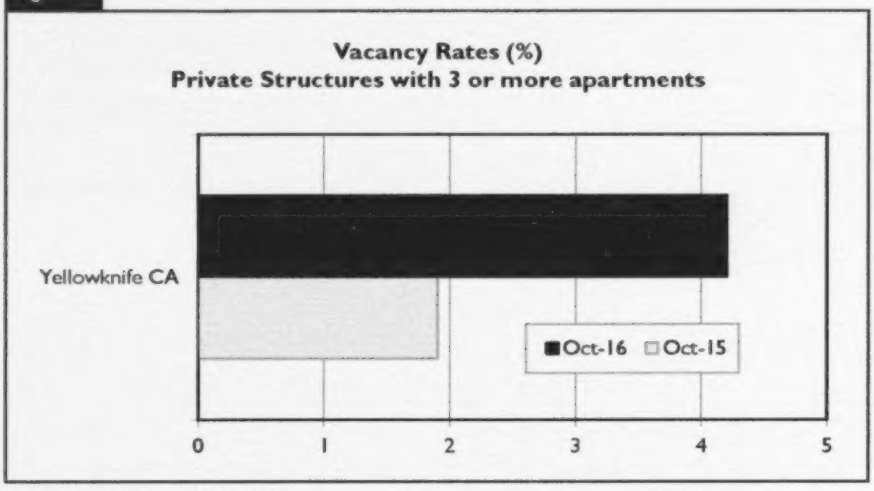
Figure 1



Source: CMHC Rental Market Survey

[1] The survey is based on privately initiated rental apartment structures of three or more units.

[2] A unit is counted as being turned over if it was occupied by a new tenant in the past 12 months. A unit can be counted as being turned over more than once in a 12 month period. This includes tenants who move into a different unit in the same building during this time period.

from 1,627 in 2015. These units were built in the fourth quarter of 2015. Rental construction in Yellowknife has since declined due to three factors: the emergence of a condo market, increased prevalence of staff housing for service workers, and weaker overall economic conditions.

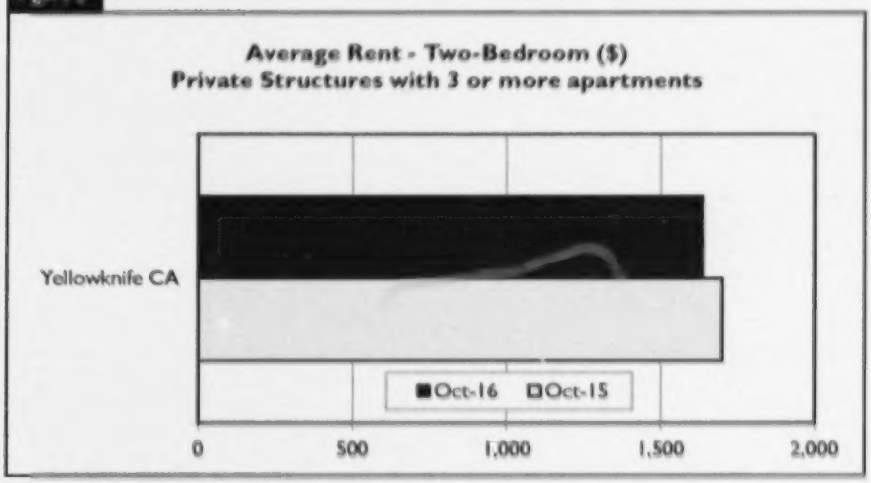
Same sample rents recorded small decrease

A rising vacancy rate has induced some landlords to offer rent reductions. Based on units common to both the 2015 and 2016 October surveys, same-sample[3] apartment rents for two-bedroom units decreased by 2.2 per cent in October 2016 on a year-over-year basis, compared to an increase of 2.2 per cent between October 2014 and October 2015. Same-sample apartment rents declined by 1.1 per cent when we consider all unit types.

Average rents in Yellowknife decreased

Accounting for both new and existing structures, the average rent for a two-bedroom apartment in Yellowknife was $1,636 in October 2016, compared to $1,700 in 2015. A decrease in the average rent was evident across most unit types in the city except for bachelor units. The average rent in bachelor suites was $1,159 in October 2016 compared to $1,145 in October 2015.

Figure 2



Source: CMHC Rental Market Survey

[3] Year-over-year comparisons of average rents can be slightly misleading because rents in newly built structures tend to be higher than in existing buildings. Excluding new structures and focusing on structures existing in both the October 2015 and October 2016 surveys provides a better indication of actual rent increases paid by tenants.

Region 6,
Unorganized
Yellowknife
01
Zone - Name
01 - Yellowknife
Municipal Boundary (2011)
Detah
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6
km

RMS ZONE DESCRIPTIONS - YELLOWKNIFE CA	
Zone 1	**Yellowknife City**
Zone 1	**Yellowknife CA**

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	5.0	0.0	1.2	3.4	2.0	5.0	3.6	5.4	1.9	4.2

1.1.2 Private Apartment Average Rents ($) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	1,145	1,159	1,408	1,401	1,700	1,636	1,941	1,902	1,594	1,554

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.1.3 Number of Private Apartment Units in the Universe by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	42	42	663	672	755	759	167	169	1,627	1,642

1.1.4 Private Apartment Availability Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	5.0	0.0	2.1	3.4	3.5	5.2	3.6	6.1	3.0	4.4

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type Yellowknife CA										
Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16
Yellowknife CA	++	++	2.5	++	2.2	-2.2	2.2	-2.1	1.3	-1.1

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

1.1.6 Private Apartment Turnover Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	n/a	**	n/a	22.6	n/a	19.6	n/a	**	n/a	19.5

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type Yellowknife CA										
Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
Pre 1960	**	**	**	**	**	**	-	-	**	**
1960 - 1974	0.0	0.0	1.3	2.1	1.8	7.0	5.1	0.0	1.9	3.9
1975 - 1989	8.3	0.0	1.1	4.0	3.1	5.3	4.1	9.7	2.5	5.0
1990+	**	0.0	1.4	4.5	1.3	2.6	0.0	**	1.3	3.6
Total	5.0	0.0	1.2	3.4	2.0	5.0	3.6	5.4	1.9	4.2

1.2.2 Private Apartment Average Rents ($) by Year of Construction and Bedroom Type Yellowknife CA										
Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
Pre 1960	**	**	**	**	**	**	-	-	**	**
1960 - 1974	1,169	1,191	1,406	1,397	1,596	1,557	1,806	1,777	1,524	1,507
1975 - 1989	1,120	1,121	1,358	1,393	1,701	1,678	1,875	1,873	1,536	1,545
1990+	**	1,251	1,560	1,463	1,799	1,705	2,342	2,288	1,782	1,692
Total	1,145	1,159	1,408	1,401	1,700	1,636	1,941	1,902	1,594	1,554

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.2.3 Private Apartment Turnover Rates (%) by Year of Construction and Bedroom Type Yellowknife CA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
Pre 1960	n/a	**	n/a	**	n/a	**	n/a	-	n/a	**
1960 - 1974	n/a	**	n/a	**	n/a	**	n/a	**	n/a	**
1975 - 1989	n/a	**	n/a	23.5	n/a	**	n/a	**	n/a	21.1
1990+	n/a	**	n/a	17.9	n/a	15.4	n/a	**	n/a	16.3
Total	n/a	**	n/a	22.6	n/a	19.6	n/a	**	n/a	19.5

1.3.1 Private Apartment Vacancy Rates (%) by Structure Size and Bedroom Type Yellowknife CA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
3 to 5 Units	**	**	**	**	0.0	**	**	**	**	3.7
6 to 19 Units	14.3	0.0	0.0	0.0	0.0	1.3	2.3	6.8	1.5	2.0
20 to 49 Units	0.0	0.0	1.7	1.9	1.2	6.9	3.2	4.8	1.6	4.4
50 to 99 Units	0.0	0.0	1.2	5.2	3.5	5.4	5.7	5.4	2.6	5.2
100+ Units	-	-	**	**	**	**	-	-	**	**
Total	5.0	0.0	1.2	3.4	2.0	5.0	3.6	5.4	1.9	4.2

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.3.2 Private Apartment Average Rents ($) by Structure Size and Bedroom Type Yellowknife CA										
Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
3 to 5 Units	**	**	**	**	1,802	1,813	**	**	1,779	1,753
6 to 19 Units	1,030	1,083	1,357	1,378	1,672	1,729	2,140	2,151	1,645	1,669
20 to 49 Units	1,155	1,179	1,387	1,366	1,634	1,582	1,786	1,659	1,539	1,481
50 to 99 Units	1,231	1,203	1,430	1,423	1,750	1,644	1,982	1,856	1,614	1,562
100+ Units	-	-	**	**	**	**	-	-	**	**
Total	1,145	1,159	1,408	1,401	1,700	1,636	1,941	1,902	1,594	1,554

1.3.3 Private Apartment Vacancy Rates (%) by Structure Size and Zone Yellowknife CA										
Zone	3-5		6-19		20-49		50-99		100+	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	**	3.7	1.5	2.0	1.6	4.4	2.6	5.2	**	**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

1.3.4 Private Apartment Turnover Rates (%) by Structure Size and Bedroom Type Yellowknife CA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
3 to 5 Units	n/a	**	n/a	**	n/a	**	n/a	**	n/a	**
6 to 19 Units	n/a	**	n/a	**	n/a	**	n/a	**	n/a	12.1
20 to 49 Units	n/a	**	n/a	**	n/a	**	n/a	**	n/a	**
50 to 99 Units	n/a	**	n/a	**	n/a	**	n/a	**	n/a	**
100+ Units	n/a	-	n/a	**	n/a	**	n/a	-	n/a	**
Total	n/a	**	n/a	22.6	n/a	19.6	n/a	**	n/a	19.5

1.4 Private Apartment Vacancy Rates (%)[1] by Rent Range and Bedroom Type Yellowknife CA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA										
LT $1300	5.8	0.0	**	4.3	**	**	**	**	1.9	3.4
$1300 - $1399	**	**	0.9	6.0	**	12.8	**	**	0.8	6.6
$1400 - $1499	**	**	**	**	**	5.8	**	**	0.0	4.0
$1500 - $1599	**	**	3.3	1.8	0.8	4.7	**	**	2.1	3.0
$1600 - $1699	**	**	**	**	1.9	**	**	**	2.0	5.5
$1700+	**	**	**	**	3.9	5.7	3.9	5.8	3.8	5.5
Total	5.0	0.0	1.2	3.4	2.0	5.0	3.6	5.4	1.9	4.2

[1]Vacancy rate by rent range when rents are known. For the Total, vacancy rates include all structures.

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

2.1.1 Private Row (Townhouse) Vacancy Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	-	-	**	**	0.0	**	4.6	13.5	4.0	12.2

2.1.2 Private Row (Townhouse) Average Rents ($) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	-	-	**	**	1,522	**	2,031	2,015	1,973	1,987

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

2.1.3 Number of Private Row (Townhouse) Units in the Universe by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	0	0	3	3	41	41	307	308	351	352

2.1.4 Private Row (Townhouse) Availability Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	-	-	**	**	0.0	**	4.9	13.9	4.3	12.8

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

2.1.5 Private Row (Townhouse) Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type
Yellowknife CA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16
Yellowknife CA	-	-	**	**	3.2	**	3.2	-1.6	3.2	-1.4

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

2.1.6 Private Row (Townhouse) Turnover Rates (%) by Zone and Bedroom Type
Yellowknife CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	n/a	-	n/a	**	n/a	**	n/a	**	n/a	**

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

3.1.1 Private Row (Townhouse) and Apartment Vacancy Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	5.0	0.0	1.2	3.4	1.9	4.8	4.2	10.6	2.3	5.6

3.1.2 Private Row (Townhouse) and Apartment Average Rents ($) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	1,145	1,159	1,408	1,401	1,692	1,637	1,997	1,968	1,660	1,626

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

3.1.3 Number of Private Row (Townhouse) and Apartment Units in the Universe by *Zone and Bedroom Type* Yellowknife CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	42	42	666	675	796	800	474	477	1,978	1,994

3.1.4 Private Row (Townhouse) and Apartment Availability Rates (%) by Zone and Bedroom Type Yellowknife CA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	5.0 a	0.0 a	2.1 a	3.4 b	3.3 a	5.1 b	4.4 a	11.0 a	3.2 a	5.8 a

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

3.1.5 Private Row (Townhouse) and Apartment Estimate of Percentage Change (%) of Average Rent[1] by Bedroom Type Yellowknife CA										
Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16	Oct-14 to Oct-15	Oct-15 to Oct-16
Yellowknife CA	++	++	2.5	++	2.3	-2.2	2.6	-1.9	1.7	-1.2

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

3.1.6 Private Row (Townhouse) and Apartment Turnover Rates (%) by Zone and Bedroom Type Yellowknife CA										
Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16	Oct-15	Oct-16
Yellowknife CA	n/a	**	n/a	22.6	n/a	19.8	n/a	**	n/a	20.9

For an explanation of the letters and symbols used in the Rental Market tables, please refer to our Methodology page.

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent levels, availability, turnover and vacancy unit data for all sampled structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of October, and the results reflect market conditions at that time.

CMHC is constantly reviewing the Universe of rental structures in the rental market Universe to ensure that it is as complete as possible. Every year, any newly completed rental structures with at least 3 rental units are added to the Universe. In addition to this, CMHC undertakes comprehensive reviews by comparing the Universe listing to other sources of data to ensure that the list of structures is as complete as possible.

CMHC's Rental Market Survey provides a snapshot of vacancy, availability, and turnover rates and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of percent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports. The rent levels in new and existing structures are also published. While the percent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in late summer and early fall to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS – rented single-detached homes, semi-detached (double) homes, rented freehold row/townhomes, rented duplex apartments (i.e., one-above-other), rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type), rented condominiums (can be any dwelling type but are primarily apartments), and one or two apartments which are part of a commercial or other type of structure.

The SRMS has two components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents in the following CMAs: Abbotsford-Mission, Barrie, Calgary, Edmonton, Halifax, Hamilton, Kelowna, Montréal, Ottawa, Québec, Regina, Saskatoon, St. Catharines-Niagara, St. John's, Toronto, Vancouver, Victoria, Windsor and Winnipeg.
- A Condominium Apartment Survey to collect vacancy and rent information in the following CMAs: Calgary, Edmonton, Gatineau, Halifax, Hamilton, Kelowna, Kitchener-Cambridge-Waterloo, London, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, Victoria and Winnipeg.

Both these surveys are conducted by telephone interviews. For the Condominium Apartment Survey, information is obtained from the property management company or condominium (strata) board, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the Household Rent Survey, information is collected from an adult living in the household. Both surveys are conducted in late summer and early fall, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates from the Condominium Apartment Survey. For the Household Rent Survey, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability.

Every year CMHC reviews the method of estimation for Household Rent Survey, which may result in some changes to previously published estimates. All statistics in this report are reflective of the new method of estimation.

RENTAL MARKET SURVEY (RMS) AND SECONDARY RENTAL MARKET SURVEY (SRMS) DATA RELIABILITY

CMHC does not publish an estimate (e.g. Vacancy Rates and Average Rents) if the reliability of the estimate is too low or the confidentiality rules are violated. The ability to publish an estimate is generally determined by its statistical reliability, which is measured using the coefficient of variation (CV). CV of an estimate is defined as the ratio of the standard deviation to the estimate and CV is generally expressed a percentage. For example, let the average rent for one bedroom apartments in a given CMA be $\bar{x}$ and its standard deviation be $\sigma_{\bar{x}}$. Then the Coefficient of Variation is given by $CV = \frac{\sigma_{\bar{x}}}{\bar{x}}$.

Please click Methodology or Data Reliability Tables Appendix link for more details.

Reliability Codes for Proportions

CMHC uses CV, sampling fraction and universe size to determine the ability to publish proportions such as vacancy rates, availability rates and turnover rates. The following letter codes are used to indicate the level of reliability of proportions:

a – Excellent
b – Very good
c – Good
d – Fair (Use with Caution)
** – Poor – Suppressed
++ – Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
- – No units exist in the universe for this category
n/a – Not applicable

The following two tables indicate the level of reliability of proportions:

If the proportion is Zero (0) and sampling fraction is less than 100% then the following levels are assigned:

	Sampling Fraction (%) range				
Structures in Universe	**(0,20]***	**(20,40]**	**(40,60]**	**(60,80]**	**(80,100)**
3 – 10	Poor	Poor	Poor	Poor	Poor
11 – 20	Poor	Fair	Fair	Fair	Good
21 – 40	Poor	Fair	Fair	Good	Very Good
41 – 80	Poor	Fair	Good	Good	Very Good
81+	Poor	Good	Good	Very Good	Very Good

*(0, 20] means sampling fraction is greater than 0% but less than or equal to 20%; others are similar.

Otherwise, the following table is used to determine the reliability level of proportions:

	Coefficient of Variation (CV) %						
Vacancy Rate	**0**	**(0,5]**	**(5,10]**	**(10,16.5]**	**(16.5,33.3]**	**(33.3,50]**	**50+**
(0,0.75]	Excellent	Excellent	Excellent	Excellent	Excellent	V. Good	V. Good
(0.75,1.5]	Excellent	Excellent	Excellent	Excellent	Excellent	Fair	Poor
(1.5,3]	Excellent	Excellent	Excellent	V. Good	Good	Poor	Poor
(3,6]	Excellent	Excellent	V. Good	Good	Fair	Poor	Poor
(6,10]	Excellent	Excellent	V. Good	Good	Poor	Poor	Poor
(10,15]	Excellent	Excellent	Good	Fair	Poor	Poor	Poor
(15,30]	Excellent	Excellent	Fair	Poor	Poor	Poor	Poor
(30,100]	Excellent	Excellent	Poor	Poor	Poor	Poor	Poor

Reliability Codes for Averages and Totals

CMHC uses the CV to determine the reliability level of the estimates of average rents and a CV cut-off of 10% for publication of totals and averages. It is felt that this level of reliability best balances the need for high quality data and not publishing unreliable data. CMHC assigns a level of reliability as follows (CV's are given in percentages):

a – If the CV is greater than 0 and less than or equal to 2.5 then the level of reliability is **Excellent**.
b – If the CV is greater than 2.5 and less than or equal to 5 then the level of reliability is **Very Good**.
c – If the CV is greater than 5 and less than or equal to 7.5 then the level of reliability is **Good**.
d – If the CV is greater than 7.5 and less than or equal to 10 then the level of reliability is **Fair**.
** – If the CV is greater than 10 then the level of reliability is **Poor**. (Do Not Publish)

Arrows indicate Statistically Significant Changes

Use caution when comparing statistics from one year to the next. Even if there is a year over year change, it is not necessarily a statistically significant change. When applicable, tables in this report include indicators to help interpret changes:

↑ indicates the year-over-year change is a statistically significant increase.
↓ indicates the year-over-year change is a statistically significant decrease.
– indicates that the effective sample does not allow one to interpret any year-over-year change as being statistically significant.
△ indicates that the change is statistically significant

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Turnover: A unit is counted as being turned over if it was occupied by a new tenant moved in during the past 12 months. A unit can be counted as being turned over more than once in a 12 month period.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

Data presented is based on Statistics Canada's 2011 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution CMHC is able to provide information that benefits the entire housing industry.

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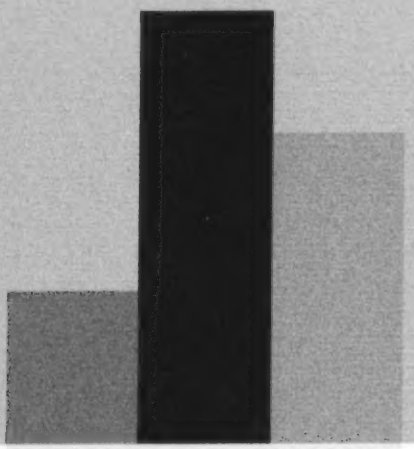

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